

# OFFICE OF THE ATTORNEY GENERAL

83-00003



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STATE OF ALABAMA  
OCT 1 1982

ADMINISTRATIVE BUILDING  
64 NORTH UNION STREET  
MONTGOMERY, ALABAMA 36130

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Honorable W. H. Cheney  
Tax Assessor, Lauderdale County  
P. O. Box 794  
Florence, Alabama 35631

## Ad Valorem Taxes -- Assessments

Separate units of a condominium may have different classifications for tax purposes, depending on use.

Use of property determines classification for tax purposes.

Subject property not a condominium.

In general, a parcel of property may have only one classification for tax purposes.

Dear Mr. Cheney:

In your request for an opinion dated August 25, 1982, you state that a particular parcel of property contains a two story structure with an adjacent garage and recreation room. The first floor is being used as a public accounting firm containing approximately 2,327 square feet. The second floor is used as a dwelling containing approximately 2,327 square feet plus the recreation room containing 360 square feet. You ask the following six questions:

1. Could the property as presently owned be treated as a condominium - type (multi-use) property?
2. If the answer to question 1 is affirmative, could the residential area be classified and assessed separately from the commercial area creating a mixture of class 2 and class 3 property?

3. If the answer to question 2 is affirmative, how would the land and common areas be classified and assessed?
4. If the answer to question 1 is negative, what steps would be necessary to have the property changed to a condominium type (multi-use)?
5. If the property is changed to a condominium type, could there be a mixture of class 2 and class 3 within the property?
6. If the property is condominium type and a mixture of class 2 and class 3, how would the value of the land within common areas be classified and assessed?

Your question 1 is answered in the negative. The property in question is obviously not being used as a condominium - it therefore should not be treated as such.

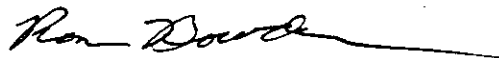
The negative answer to question 1 obviates any need for answering questions 2 and 3. It should be pointed out, however, that in general a parcel of property must be classified as either class 2 or class 3, not a mixture of the two.

In answer to question 4, it would not be appropriate for this office to attempt to guide the owner as to what steps, if any, could be taken in order to convert the property to a condominium.

In answer to questions 5 and 6, if the property were a true condominium, one of the condominium units might possibly be classified differently than the other units, depending upon the use being made of each unit, since each unit may be separately assessed. See informal opinion addressed to Honorable Ronald L. Burns, Coffee County Revenue Commissioner, dated October 27, 1981. The classification of property depends on the use of said property, Howell v. Malone, 388 So.2d 908. The value of the land and common areas would have to be apportioned in some manner to each of the condominium units.

Sincerely yours,

CHARLES A. GRADDICK, Attorney General  
By-



Ron Bowden  
Assistant Attorney General

RB:jt